

Fiscal Note

Fiscal Services Division



HF 2435 – Internal Revenue Code Update (LSB 5297HV)
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Fiscal Note Version – New

Description

House File 2435 is the annual Internal Revenue Code Update Bill. The Bill updates Iowa Code references to reflect any federal income tax revisions enacted by Congress after January 1, 2013.

The Bill also repeals the Iowa generation-skipping tax and the Iowa estate tax.

The Bill is effective upon enactment and applies retroactive to January 1, 2013.

Background

Congress has not enacted any tax changes since January 1, 2013, so the date changes in the Bill have no impact on Iowa taxes.

The Iowa estate tax and the Iowa generation-skipping tax are both estate taxes that have been made inoperative by federal estate tax changes. The two Iowa taxes no longer apply and do not generate revenue. Iowa's existing inheritance tax would still be in place.

Fiscal Impact

Congress has enacted no income tax revisions since January 1, 2013, and the two existing Iowa taxes repealed in the Bill do not produce any tax revenue. Therefore, this Bill has no fiscal impact.

Sources

Department of Revenue

March 10, 2014

The fiscal note for this bill was prepared pursuant to **Joint Rule 17** and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
